



**OFFICE of EDUCATION INNOVATION**

# PERFORMANCE FRAMEWORK

for Mayor-Sponsored Charter Schools  
with Elementary & Middle School Grades

2013 - 2014

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## Core Question 1: Is the educational program a success?

| 1.1. Is the school's academic performance meeting state expectations, as measured by Indiana's accountability system? |  |
|---|--|
| Does not meet standard  | School has received a 'D' or 'F' for the most recent school year OR has received a 'D' for the last two consecutive years.                             |
| Approaching standard  | School has received a 'C' for the most recent school year.   |
| Meets standard  | School has received a 'B' for the most recent school year.   |
| Exceeds standard  | School has received an 'A' for the most recent school year.  |
| 1.2. Are students making sufficient and adequate gains, as measured by the Indiana Growth Model?                      |  |
| <i>Only applicable to schools serving students in any one or combination of grades 4-8.</i>                           |  |
| Does not meet standard  | Results from the Indiana Growth Model indicate that less than 60.0% of students are making sufficient and adequate gains ('typical' or 'high' growth). |
| Approaching standard  | Results from the Indiana Growth Model indicate that 60.0-69.9% of students are making sufficient and adequate gains ('typical' or 'high' growth).      |
| Meets standard  | Results from the Indiana Growth Model indicate that 70.0-79.9% of students are making sufficient and adequate gains ('typical' or 'high' growth).      |
| Exceeds standard  | Results from the Indiana Growth Model indicate that at least 80.0% of students are making sufficient and adequate gains ('typical' or 'high' growth).  |
| 1.3. Does the school demonstrate that students are improving, the longer they are enrolled at the school?             |  |
| Does not meet standard  | Less than 60.0% of students who have been enrolled at the school 3 or more years demonstrate proficiency on state standardized assessments.            |
| Approaching standard  | At least 60.0% of students enrolled 2 years, and 70.0% of students enrolled 3 or more years demonstrate proficiency on state standardized assessments. |
| Meets standard  | At least 70.0% of students enrolled 2 years and 80.0% of students enrolled 3 or more years demonstrate proficiency on state standardized assessments.  |
| Exceeds standard  | At least 80.0% of students enrolled 2 years and 90.0% of students enrolled 3 or more years demonstrate proficiency on state standardized assessments.  |
| 1.4. Is the school providing an equitable education to students of all races and socioeconomic backgrounds?           |  |
| Does not meet standard  | School has more than 15% difference in the percent of students passing standardized assessments amongst races and socioeconomic statuses.              |
| Approaching standard  | School has no more than 15% difference in the percent of students passing standardized assessments amongst races and socioeconomic statuses.           |
| Meets standard  | School has no more than 10% difference in the percent of students passing standardized assessments amongst races and socioeconomic statuses.           |
| Exceeds standard  | School has no more than 5% difference in the percent of students passing standardized assessments amongst races and socioeconomic statuses.            |

| 1.5. Is the school's attendance rate strong?   |  |
|--|--|
| Does not meet standard   | School's attendance rate is less than 95.0%  |
| Meets standard   | School's attendance rate is greater than or equal to 95.0%.  |
| 1.6. Is the school outperforming schools that the students would have been assigned to attend? |  |
| Does not meet standard   | School's overall performance in terms of proficiency and growth is lower than that of the schools the students would have been assigned to attend.   |
| Approaching standard   | School's overall performance in terms of proficiency or growth outpaces that of the schools the students would have been assigned to attend.   |
| Meets standard   | School's overall performance in terms of both proficiency and growth outpaces that of the schools the students would have been assigned to attend.   |
| Exceeds standard   | School's overall performance in terms of both proficiency and growth outpaces that of the schools the students would have been assigned to attend.   |
| 1.7. Is the school meeting its school-specific educational goals?                              |  |
| Does not meet standard   | <p>TBD: Metrics determined based on school-specific educational goal, in conjunction with the school.</p> <p>School does not meet standard on either school-specific educational goal.</p>   |
| Approaching standard   | <p>TBD: Metrics determined based on school-specific educational goal, in conjunction with the school.</p> <p>School is 1) approaching standard on one school-specific educational goal, while not meeting standard on the second goal, 2) approaching standard on both school-specific educational goals, OR 3) meeting standard on one school-specific educational goal, while approaching standard on the second goal.</p> |
| Meets standard   | <p>School has clearly met its school-specific educational goal.</p> <p>School is 1) meeting standard on both school-specific educational goals, OR 2) meeting standard on one school-specific educational goal while exceeding standard on the second goal.</p>  |
| Exceeds standard   | <p>TBD: Metrics determined based on school-specific educational goal, in conjunction with the school.</p> <p>School is exceeding standard on both school-specific educational goals.</p>   |

## Core Question 2: Is the organization in sound fiscal health?

| 2.1. Short Term Health: Does the school demonstrate the ability to pay its obligations in the next 12 months? |   |
|---|---|
| Does not meet standard  | The school presents significant concerns in more than one of the following areas: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default          |
| Approaching standard  | The school presents concerns in no more than one of the following areas: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default                   |
| Meets standard  | The school demonstrates satisfactory performance in all areas identified: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default                  |
| 2.2. Long Term Health: Does the organization demonstrate long term financial health?                          |   |
| Does not meet standard  | The school presents significant concerns in more than one of the following: a) 3 year Aggregate Net Income, b) Debt to Asset Ratio c) Debt Service Coverage Ratio |
| Approaching standard  | The school presents concerns in no more than one of the following areas: a) 3 year Aggregate Net Income, b) Debt to Asset Ratio c) Debt Service Coverage Ratio    |
| Meets standard  | The school demonstrates satisfactory performance in all areas identified: 3 Year Aggregate Net Income, Debt to Asset Ratio, and Debt Service Coverage Ratio       |
| 2.3. Does the organization demonstrate it has adequate financial management and systems?                      |   |
| Does not meet standard  | The school presents concerns in the financial audit or financial reporting requirements   |
| Approaching standard  | The school presents concerns in either the financial audit or financial reporting requirements  |
| Meets standard  | The school does not present concerns in the financial audit or financial reporting requirements   |

### Core Question 3: Is the organization effective and well-run?

#### 3.1. Is the school leader strong in his or her academic and organizational leadership?

|                        |   |
|------------------------|---|
| Does not meet standard | The school leader presents concerns in a majority of the following areas with no evidence of a credible plan to address the issues: a) demonstration of sufficient academic and leadership experience; b) engagement in a continuous process of improvement and/or make mid-course corrections if needed; c) leadership stability in key administrative positions; d) adherence to policies, rules, and regulations as set forth in the charter including applicable federal and state laws; e) communication with school staff and clear systems for addressing address areas of deficiency in a timely manner; f) clarity of roles and responsibilities among school staff; g) consistency in providing information and consulting with the school's board of directors; h) communication of the school's mission and vision to both internal and external stakeholders.  |
| Approaching standard   | The school leader presents concerns in a minimal number of the following areas with no evidence of a credible plan to address the issues: a) demonstration of sufficient academic and leadership experience; b) engagement in a continuous process of improvement and/or make mid-course corrections if needed; c) leadership stability in key administrative positions; d) adherence to policies, rules, and regulations as set forth in the charter including applicable federal and state laws; e) communication with school staff and clear systems for addressing address areas of deficiency in a timely manner; f) clarity of roles and responsibilities among school staff; g) consistency in providing information and consulting with the school's board of directors; h) communication of the school's mission and vision to both internal and external stakeholders.  |
| Meets standard         | The school leader: a) demonstrates sufficient academic and leadership experience; b) has stable leadership in key administrative positions; c) effectively communicates with school staff, has clear systems for decision-making and addresses areas of deficiency in a timely manner in accordance with requirements set forth by OEI; d) abides by all policies, rules and regulations as set forth in the charter while also following all applicable federal and state laws; e) has established clear roles and responsibilities among school staff and board members; f) engages in continuous process of improvement and makes mid-course corrections if needed; g) effectively communicates the school's mission and vision to both internal and external stakeholders; h) informs and consults with the school's board of directors on key matters impacting the school and fosters a culture of shared accountability. |
| Exceeds standard       | The school leader demonstrates exceptional academic and leadership experience, effectively communicates with all internal and external stakeholders, has clear processes for making timely decisions and is proactive in making mid-course directions if needed, and engages in a continuous process of consulting the board of directors on key matters impacting the school.  |

3.2. Does the school satisfactorily comply with all its organizational structure and governance obligations?

|                        |  |
|------------------------|--|
| Does not meet standard | The school presents concerns in a majority of the following areas with no evidence of a credible plan to address the issues: a) submission of all required compliance documentation in a timely manner as set forth by OEI, including, but not limited to, meeting minutes and schedules, board member information, compliance reports and employee documentation; b) compliance with the terms of its charter including by-laws, amendments, rules and regulations, and applicable federal and state laws; c) working proactively and productively with its board and/or management organization (if applicable) in meeting governance obligations; d) active participation in quarterly compliance meetings as set forth by the Master Calendar of Reporting Requirements, including the submission of required documentation by deadlines set forth by OEI.         |
| Approaching standard   | The school presents concerns in a minimal number of the following areas with no evidence of a credible plan to address the issues: a) submission of all required compliance documentation in a timely manner as set forth by OEI, including, but not limited to, meeting minutes and schedules, board member information, compliance reports and employee documentation; b) compliance with the terms of its charter including by-laws, amendments, rules and regulations, and applicable federal and state laws; c) working proactively and productively with its board and/or management organization (if applicable) in meeting governance obligations; d) actively participating in quarterly compliance meetings as set forth by the Master Calendar of Reporting Requirements, including the submission of required documentation by deadlines set forth by OEI. |
| Meets standard         | The school: a) submits all required compliance documentation in a timely manner as set forth by the Mayor's Office including but not limited to meeting minutes and schedules, board member information, compliance reports and employee documentation; b) complies with the terms of its charter including by-laws, amendments, rules and regulations, and applicable federal and state laws; c) works proactively and productively with its board and/or management organization (if applicable) in meeting governance obligations; d) actively participating in quarterly compliance meetings as set forth by the Master Calendar of Reporting Requirements including the submission of required documentation by deadlines set forth by OEI.   |
| Exceeds standard       | The school is consistent in the submission of all compliance documentation in a timely manner, understands and abides by the policies and laws set forth in its charter, is effective and proactive in working with its board and/or management organization (if applicable) in meeting governance obligations and is an active and consistent participant in quarterly compliance meetings.   |



3.3. Is the school's board active, knowledgeable and abides by appropriate policies, systems and processes in its oversight?

|                        |  |
|------------------------|--|
| Does not meet standard | The board presents concerns in a majority of the following areas with no evidence of a credible plan to address the issues: a) communication of organizational, leadership, academic, fiscal or facility deficiencies to the OEI; or when the school's management company (if applicable) fails to meet its obligations as set forth in the charter; b) clearly understands the mission and vision of the school; c) review and updating of policies if necessary, following established meeting processes and having solid systems in place for the orientation and training of members; d) recruitment and selection of members that are knowledgeable; represent diverse skill sets and act in the best interest of the school; e) effective and transparent management of conflicts of interest; f) working with school leadership to be fair, timely, consistent, and transparent in handling complaints or concerns; g) abiding by its charter by-laws as it pertains to the governance structure; h) holding all meetings in accordance with Indiana Open Door Law.   |
| Approaching standard   | The board presents concerns in a minimal number of the following areas with no evidence of a credible plan to address the issues: a) communication of organizational, leadership, academic, fiscal or facility deficiencies to OEI; or when the school's management company (if applicable) fails to meet its obligations as set forth in the charter; b) clearly understands the mission and vision of the school; c) review and updating of policies if necessary, following established meeting processes and having solid systems in place for the orientation and training of members; d) recruitment and selection of members that are knowledgeable; represent diverse skill sets and act in the best interest of the school; e) effective and transparent management of conflicts of interest; f) working with school leadership to be fair, timely, consistent, and transparent in handling complaints or concerns; g) abiding by its charter by-laws as it pertains to the governance structure; h) holding all meetings in accordance with Indiana Open Door Law. |
| Meets standard         | The board: a) takes timely action including communicating organizational, leadership, academic, fiscal or facility deficiencies to OEI; or when the school's management company (if applicable) fails to meet its obligations as set forth in the charter; b) clearly understands the mission and vision of the school; c) regularly reviews and updates policies if necessary, follows established meeting processes and has solid systems in place for the orientation and training of members; d) recruits and selects members that are knowledgeable; represent diverse skill sets and act in the best interest of the school; e) effectively and transparently manages conflicts of interest; f) works with school leadership to be fair, timely, consistent, and transparent in handling complaints or concerns; g) abides by its charter by-laws as it pertains to the governance structure; h) holds all meetings in accordance with Indiana Open Door Law.  |
| Exceeds standard       | The board is proactive in communicating concerns to OEI, understands and regularly reviews all policies and procedures, consists of members with diverse skill sets that understand and act in the best interest of the school, actively promotes the school's mission, and is consistent in holding all meetings in accordance with Indiana Open Door Law.  |

3.4. Does the school's board work to foster a school environment that is viable and effective?

|                        |   |
|------------------------|---|
| Does not meet standard | The board presents concerns in a majority of the following areas with no evidence of a credible plan to address the issues: a) effective and regular communication with school leadership and/or its management company; b) utilization of a performance-based evaluation annually to assess its own performance and that of the school leader and management organization (if applicable); c) working with the school leader to establish clear objectives, priorities, goals and holding the school leader accountable for student achievement and performance; d) requesting and disseminating information in a timely manner, providing continuous and constructive feedback and engaging the school leader in a manner that is conducive to the success of the school.       |
| Approaching standard   | The board presents concerns in a minimal number of the following areas with no evidence of a credible plan to address the issues: a) effective and regular communication with school leadership and/or its management company; b) utilization of a performance-based evaluation annually to assess its own performance and that of the school leader and management organization (if applicable); c) working with the school leader to establish clear objectives, priorities, goals and holding the school leader accountable for student achievement and performance; d) requesting and disseminating information in a timely manner, providing continuous and constructive feedback and engaging the school leader in a manner that is conducive to the success of the school. |
| Meets standard         | The board: a) effectively and regularly communicates with school leadership and/or its management company; b) utilizes a performance-based evaluation annually to assess its own performance and that of the school leader and management organization (if applicable); c) works with the school leader to establish clear objectives, priorities, goals and holds the school leader accountable for student achievement and performance; d) requests and disseminates information in a timely manner, provides continuous and constructive feedback and engages the school leader in a manner that is conducive to the success of the school.  |
| Exceeds standard       | The board is effective and consistent in communicating with school leadership, regularly assesses its performance and that of the school leader, uses evaluation data to make adjustments that are in the best interest of the school, works to establish clear goals and priorities that are regularly reviewed and holds the school leader accountable for performance and achievement of both students and staff.  |

3.5. Does the school comply with applicable laws, regulations, and provisions of the charter agreement relating to the safety and security of the facility?

|                        |  |
|------------------------|--|
| Does not meet standard | The school presents concerns in a majority of the following areas with no evidence of a credible plan to address the issues: a) health and safety code requirements; b) ensuring the facility is accessible to all students; c) maintaining and updating, as needed, a safety and emergency management plan; d) a facility that is well suited to meet the curricular and social needs of the students, faculty, and members of the community.       |
| Approaching standard   | The school presents concerns in a minimal number of the following areas with no evidence of a credible plan to address the issues: a) health and safety code requirements; b) ensuring the facility is accessible to all students; c) maintaining and updating, as needed, a safety and emergency management plan; d) a facility that is well suited to meet the curricular and social needs of the students, faculty, and members of the community. |
| Meets standard         | The school: a) meets health and safety code requirements; b) ensures the facility is accessible to all students; c) maintain and updates, as needed, a safety and emergency management plan; d) has a facility that is well suited to meet the curricular and social needs of the students, faculty, and members of the community.   |

## Core Question 4: Is the school providing the appropriate conditions for success?

### 4.1. Does the school have a high-quality curriculum and supporting materials for each grade?

|                        |  |
|------------------------|--|
| Does not meet standard | The school presents significant concerns in <u>two or more</u> of the following areas: a) the curriculum does not align with the state standards; b) the school does not conduct systematic reviews of its curriculum to identify gaps based on student performance; c) the school does not regularly review scope and sequence to ensure presentation of content in time for testing; d) the sequence of topics across grade levels and content areas does not focus on core (prioritized) learning objectives; e) the staff lacks understanding and/or consensus as to how the curriculum documents and related program materials are used to effectively deliver instruction; f) there is a lack of programs and materials available to deliver the curriculum effectively. |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas: a) the curriculum does not align with the state standards; b) the school does not conduct systematic reviews of its curriculum to identify gaps based on student performance; c) the school does not regularly review scope and sequence to ensure presentation of content in time for testing; d) the sequence of topics across grade levels and content areas does not focus on core (prioritized) learning objectives; e) the staff lacks understanding and/or consensus as to how the curriculum documents and related program materials are used to effectively deliver instruction; f) there is a lack of programs and materials available to deliver the curriculum effectively.         |
| Meets standard         | The school: a) curriculum aligns with the state standards; b) conducts systematic reviews of its curriculum to identify gaps based on student performance; c) the school regularly reviews scope and sequence to ensure presentation of content in time for testing; d) has a sequence of topics across grade levels and content areas that is prioritized and focuses on the core learning objectives; e) the staff understands and uniformly uses curriculum documents and related program materials to effectively deliver instruction; f) programs and materials are available to deliver the curriculum effectively.  |

### 4.2. Are the teaching processes (pedagogies) consistent with the school's mission?

|                        |  |
|------------------------|--|
| Does not meet standard | The school presents significant concerns in <u>two or more</u> of the following areas: a) the curriculum is not implemented in the majority of classrooms according to its design; b) as delivered, instruction is not focused on core learning objectives; c) the pace of instruction/lessons and content delivery lacks the appropriate rigor and challenge; d) instructional activities lack variety and/or limited use of differentiated strategies to engage a wide range of student interests, abilities, and learning needs; e) staff do not receive feedback on instructional practices. |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas: a) the curriculum is not implemented in the majority of classrooms according to its design; b) as delivered, instruction is not focused on core learning objectives; c) the pace of instruction/lessons and content delivery lacks the appropriate rigor and challenge; d) instructional activities lack variety and/or limited use of differentiated strategies to engage a wide range of student interests, abilities, and learning needs; e) staff do not receive feedback on instructional practices.         |
| Meets standard         | The school exhibits the following characteristics: a) the curriculum is implemented in the majority of classrooms according to its design; b) as delivered, instruction is focused on core learning objectives; c) the pace of instruction/lessons and content delivery possesses the appropriate rigor and challenge; d) instructional activities possess variety and/or use of differentiated strategies to engage a wide range of student interests, abilities, and learning needs; e) supplies sufficient feedback to staff on instructional practices.                                      |

### 4.3. For secondary students, does the school provide sufficient guidance on and support preparation for post-

| secondary options?   |  |
|--|--|
| Does not meet standard   | The school presents significant concerns in <u>two or more</u> of the following areas: a) the school's academic program lacks challenging coursework and/or rigorous job preparation programs (e.g., Advanced Placement courses, internships, independent study, industry certification programs) to prepare students for rigorous post-secondary opportunities; b) lack of high expectations to motivate and prepare students for post-secondary academic opportunities; c) insufficient material resources and personnel guidance available to inform students of post-secondary options; d) limited opportunities for extracurricular engagement and activities (e.g., athletics, academic clubs, vocational) to increase post-secondary options; e) the school does not meet Indiana Core 40 graduation standard requirements. |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas: a) the school's academic program lacks challenging coursework and/or rigorous job preparation programs (e.g., Advanced Placement courses, internships, independent study, industry certification programs) to prepare students for rigorous post-secondary opportunities; b) lack of high expectations to motivate and prepare students for post-secondary academic opportunities; c) insufficient material resources and personnel guidance available to inform students of post-secondary options; d) limited opportunities for extracurricular engagement and activities (e.g., athletics, academic clubs, vocational) to increase post-secondary options; e) the school does not meet Indiana Core 40 graduation standard requirements.         |
| Meets standard   | The school: a) has challenging coursework and rigorous job preparation programs (e.g., Advanced Placement courses, internships, independent study, industry certification programs) to prepare students for rigorous post-secondary opportunities; b) has high expectations to motivate and prepare students for post-secondary academic opportunities; c) has sufficient material resources and personnel guidance available to inform students of post-secondary options; d) presents opportunities for extracurricular engagement and activities (e.g., athletics, academic clubs, vocational) to increase post-secondary options; e) meets or exceeds Indiana Core 40 graduation standard requirements.  |
| 4.4. Does the school effectively use learning standards and assessments to inform and improve instruction? |  |
| Does not meet standard   | The school presents significant concerns in <u>two or more</u> of the following areas: a) standardized and/or classroom assessments are not accurate or useful measures of established learning standards/objectives; b) assessment results are not received by classroom teachers in a timely or useful manner to influence instructional decisions; c) assessments lack sufficient variety to guide instruction for a wide range of student learning abilities; d) there is limited frequency or use of assessments to inform instructional decisions effectively; e) assessment results are not used to guide instruction or make adjustments to curriculum.  |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas: a) standardized and/or classroom assessments are not accurate or useful measures of established learning standards/objectives; b) assessment results are not received by classroom teachers in a timely or useful manner to influence instructional decisions; c) assessments lack sufficient variety to guide instruction for a wide range of student learning abilities; d) there is limited frequency or use of assessments to inform instructional decisions effectively; e) assessment results are not used to guide instruction or make adjustments to curriculum.  |
| Meets standard   | The school: a) utilizes standardized and/or classroom assessments are accurate and useful measures of established learning standards/objectives; b) distributes assessment results to classroom teachers in a timely and useful manner to influence instructional decisions; c) selects assessments that have sufficient variety to guide instruction for a wide range of student learning abilities; d) uses assessments with sufficient frequency to inform instructional decisions effectively; e) uses assessment results to guide instruction or make adjustments to curriculum.  |

| 4.4. Does the school effectively use learning standards and assessments to inform and improve instruction? |  |
|--|--|
| Does not meet standard   | The school presents significant concerns in <u>two or more</u> of the following areas: a) standardized and/or classroom assessments are not accurate or useful measures of established learning standards/objectives; b) assessment results are not received by classroom teachers in a timely or useful manner to influence instructional decisions; c) assessments lack sufficient variety to guide instruction for a wide range of student learning abilities; d) there is limited frequency or use of assessments to inform instructional decisions effectively; e) assessment results are not used to guide instruction or make adjustments to curriculum.        |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas: a) standardized and/or classroom assessments are not accurate or useful measures of established learning standards/objectives; b) assessment results are not received by classroom teachers in a timely or useful manner to influence instructional decisions; c) assessments lack sufficient variety to guide instruction for a wide range of student learning abilities; d) there is limited frequency or use of assessments to inform instructional decisions effectively; e) assessment results are not used to guide instruction or make adjustments to curriculum.                |
| Meets standard   | The school: a) utilizes standardized and/or classroom assessments are accurate and useful measures of established learning standards/objectives; b) distributes assessment results to classroom teachers in a timely and useful manner to influence instructional decisions; c) selects assessments that have sufficient variety to guide instruction for a wide range of student learning abilities; d) uses assessments with sufficient frequency to inform instructional decisions effectively; e) uses assessment results to guide instruction or make adjustments to curriculum.  |
| 4.5. Has the school developed adequate human resource systems and deployed its staff effectively?          |  |
| Does not meet standard   | The school presents significant concerns in <u>two or more</u> of the following areas: a) hiring processes are not organized to support the success of new staff members; b) inefficient or insufficient deployment of faculty and staff limits instructional time and capacity; c) faculty and staff are not certified/trained in areas to which they are assigned; d) professional development (PD) does not relate to demonstrated needs for instructional improvement; e) PD is not determined through analyses of student attainment and improvement; f) the teacher evaluation plan is not explicit and regularly implemented with a clear process and criteria. |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas: a) hiring processes are not organized to support the success of new staff members; b) inefficient or insufficient deployment of faculty and staff limits instructional time and capacity; c) faculty and staff are not certified/trained in areas to which they are assigned; d) professional development (PD) does not relate to demonstrated needs for instructional improvement; e) PD is not determined through analyses of student attainment and improvement; f) the teacher evaluation plan is not explicit and regularly implemented with a clear process and criteria.         |
| Meets standard   | The school exhibits the following characteristics: a) hiring processes are organized and used to support the success of new staff members; b) the school deploys sufficient number of faculty and staff to maximize instructional time and capacity; c) faculty and staff are certified/trained in areas to which they are assigned; d) professional development (PD) is related to demonstrated needs for instructional improvement; e) PD opportunities are determined through analyses of student attainment and improvement; f) the teacher evaluation plan is explicit and regularly implemented with a clear process and criteria.                               |

| 4.6. Is the school's mission clearly understood by all stakeholders?       |   |
|--|---|
| Does not meet standard   | The school presents significant concerns in <u>both</u> of the following areas: a) significant disagreements exist among stakeholders about the school's mission; b) there is a lack of widespread knowledge and commitment to the intentions of the school's mission.  |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas: a) significant disagreements exist among stakeholders about the school's mission; b) there is a lack of widespread knowledge and commitment to the intentions of the school's mission.   |
| Meets standard   | The school: a) has a mission that is shared by all stakeholders; b) has stakeholders possessing widespread knowledge and commitment to the intentions of the school's mission.  |
| 4.7. Is the school climate conducive to student and staff success?         |   |
| Does not meet standard   | The school presents significant concerns in <u>two or more</u> of the following areas with no evidence of a credible plan to address them: a) The school does not have clearly stated rules that enforce positive behavior; b) the school's discipline approach does not possess high expectations for student behavior; c) interactions between faculty and students are disrespectful and/or unsupportive and there are non-existing or unclear processes for resolution of conflicts; d) interactions between faculty and administration are unprofessional and/or unproductive.   |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas with no evidence of a credible plan to address it: a) The school does not have clearly stated rules that enforce positive behavior; b) the school's discipline approach does not possess high expectations for student behavior; c) interactions between faculty and students are disrespectful and/or unsupportive and there are non-existing or unclear processes for resolution of conflicts; d) interactions between faculty and administration are unprofessional and /or unproductive.  |
| Meets standard   | The school exhibits the following characteristics: a) the school has clearly stated rules that enforce positive behavior; b) the school's discipline approach possesses high expectations for student behavior; c) interactions between faculty and students are respectful and supportive and faculty and students are clear about processes for resolution of conflicts; d) interactions between faculty and administration are professional and constructive.  |
| 4.8. Is ongoing communication with students and parents clear and helpful? |   |
| Does not meet standard   | The school presents significant concerns in <u>two or more</u> of the following areas: a) there is a lack of active and ongoing communication between the school and parents; b) school communication is neither timely nor relevant to the parental concerns; c) student academic progress and achievement reports are not clearly reported and/or misunderstood; d) the school's communication methods are not well-designed to meet the needs of a diverse set of parents (e.g., not communicating in parents' native languages, communicating only in writing when many parents cannot read, holding meetings at inconvenient times for parents). |
| Approaching standard   | The school presents significant concerns in <u>one</u> of the following areas: a) there is a lack of active and ongoing communication between the school and parents; b) school communication is neither timely nor relevant to the parental concerns; c) student academic progress and achievement reports are not clearly reported and/or misunderstood; d) the school's communication methods are not well-designed to meet the needs of a diverse set of parents (e.g., not communicating in parents' native languages, communicating only in writing when many parents cannot read, holding meetings at inconvenient times for parents).         |
| Meets standard   | The school: a) has active and ongoing communication between the school and parents; b) utilizes communications that are both timely and relevant to the parental concerns; c) communicates student academic progress and achievement in reports that are understood by parents; d) the school's communication methods are designed to meet the needs of a   |



|   |  |
|---|--|
|   | diverse set of parents (e.g., communicating in parents' native languages, not communicating only in writing when many parents cannot read, holding meetings at convenient times for parents).  |
| 4.9. Do the school's special education files demonstrate that it is in legal compliance and is moving towards best practice?      |  |
| Does not meet standard  | The school's special education files present concerns in <u>two or more</u> of the following areas: (a) services outlined within Individualized Education Plans (IEPs) do not adequately match the exceptional needs of the student; (b) each need identified within the IEP does not have a corresponding goal and plan for assessment; (c) all goals are not rigorous or based on state or national learning standards; (d) evidence does not demonstrate that goals have evolved each year as the student developed; (e) specifically designed curriculum is not outlined |
| Approaching standard  | The school's special education files present concerns in <u>one</u> of the following areas: (a) services outlined within Individualized Education Plans (IEPs) do not adequately match the exceptional needs of the student; (b) each need identified within the IEP does not have a corresponding goal and plan for assessment; (c) all goals are not rigorous or based on state or national learning standards; (d) evidence does not demonstrate that goals have evolved each year as the student developed; (e) specifically designed curriculum is not outlined         |
| Meets standard  | <u>All</u> of the following are evident in the school's special education files: (a) services outlined within Individualized Education Plans (IEPs) adequately match the exceptional needs of the student; (b) each need identified within the IEP has a corresponding goal and plan for assessment; (c) each goal is rigorous and is based on state and national learning standards; (d) explicit evidence exists to demonstrate that goals have evolved each year as the student develops; (e) specifically designed curriculum is outlined.                               |
| 4.10. Is the school fulfilling its legal obligations related to access and services to students with limited English proficiency? |  |
| Does not meet standard  | The school is <u>not</u> fulfilling its legal obligations regarding ESL students, and requires substantial improvement in order to achieve conditions such as the following: appropriate staff have a clear understanding of current legislation, research and effective practices relating to the provision of ESL services; relationships with students, parents, and external providers that are well-managed and comply with law and regulation.   |
| Approaching standard  | The school is <u>not yet completely</u> fulfilling all of its legal obligations regarding ESL students, and requires <i>some</i> (but not considerable) improvement to fully achieve conditions such as the following: appropriate staff have a clear understanding of current legislation, research and effective practices relating to the provision of ESL services; relationships with students, parents, and external providers that are well-managed and comply with law and regulation.   |
| Meets standard  | The school is fulfilling its legal obligations regarding ESL students, as indicated by conditions such as the following: appropriate staff have a clear understanding of current legislation, research and effective practices relating to the provision of ESL services; relationships with students, parents, and external providers that are well-managed and comply with law and regulation.   |



## Expanded Criteria

## Core Question 1: Is the educational program a success? Schools with elementary and middle school grades

### Overview

The Academic Performance Framework gauges the academic success of schools in serving their target populations and closing the achievement gap in Indianapolis.

The framework consists of seven indicators designed to measure schools on how well their students perform and grow on standardized testing measures, attendance, and school-specific measures that capture how well the school is meeting its individual mission.

### Collecting Evidence

In order to use the framework throughout the school year, OEI will need the following:

- IDOE Accountability Report Card
- ISTEP+ Results
- iREAD-3 Results
- DOE-ME Reports
- Quarterly Attendance Reports
- Benchmark & Formative Assessment Data
- Student Level Demographic Data

### Evaluation

OEI will continue to evaluate and rate schools' performance on an annual basis against the academic performance framework. We will have quarterly visits where we focus on the benchmark data in order to predict performance and make mid-course corrections as necessary.

Schools determined to be in academic distress will be subject to additional monitoring and/or corrective action at the discretion of OEI staff.

## Core Question 1: Is the educational program a success?

1.1. Is the school's academic performance meeting state expectations, as measured by Indiana's accountability system?

|                        |  |
|------------------------|--|
| Does not meet standard | School has received a 'D' or 'F' for the most recent school year OR has received a 'D' for the last two consecutive years. |
| Approaching standard   | School has received a 'C' for the most recent school year.   |
| Meets standard         | School has received a 'B' for the most recent school year.   |
| Exceeds standard       | School has received an 'A' for the most recent school year.  |

Grades are based on the final rating issued by the Indiana Department of Education, unless the school has received permission to be assessed under an alternate accountability model.

### Data Sources for Indicator 1.1

- **Summative:** Accountability report card published by IDOE
- **Formative:** Benchmark data shared by school (e.g. NWEA, Acuity, DIBELS)

### 1.1 Formative Indicator Calculations

|                        |   |
|------------------------|---|
| Does not meet standard | Less than 60 % of students predicted as proficient on benchmark assessments and/or less than 60% of students are on track to make sufficient and adequate gains ('typical' or 'high' growth). |
| Approaching standard   | Less than 70% of students predicted as proficient on benchmark assessments and less than 70% of students are on track to make sufficient and adequate gains ('typical' or 'high' growth).     |
| Meets standard         | Less than 80% of students predicted as proficient on benchmark assessments and less than 80% of students are on track to make sufficient and adequate gains ('typical' or 'high' growth).     |
| Exceeds standard       | At least 80% of students predicted as proficient on benchmark assessments and at least 80% of students are on track to make sufficient and adequate gains ('typical' or 'high' growth).       |

**1.2. Are students making sufficient and adequate gains, as measured by the Indiana Growth Model?**

*Only applicable to schools serving students in any one or combination of grades 4-8.*

|                        |  |
|------------------------|--|
| Does not meet standard | Results from the Indiana Growth Model indicate that less than 60.0% of students are making sufficient and adequate gains ('typical' or 'high' growth). |
| Approaching standard   | Results from the Indiana Growth Model indicate that 60.0-69.9% of students are making sufficient and adequate gains ('typical' or 'high' growth).      |
| Meets standard         | Results from the Indiana Growth Model indicate that 70.0-79.9% of students are making sufficient and adequate gains ('typical' or 'high' growth).      |
| Exceeds standard       | Results from the Indiana Growth Model indicate that at least 80.0% of students are making sufficient and adequate gains ('typical' or 'high' growth).  |

**Data Sources for Indicator 1.2**

- **Summative:** Accountability report card published by IDOE
- **Formative:** Benchmark data shared by school (e.g. NWEA, Acuity, DIBELS)

**1.2 Formative Indicator Calculations**

|                        |   |
|------------------------|---|
| Does not meet standard | Less than 60 % of students predicted as proficient on benchmark assessments and/or less than 60% of students are on track to make sufficient and adequate gains ('typical' or 'high' growth). |
| Approaching standard   | Less than 70% of students predicted as proficient on benchmark assessments and less than 70% of students are on track to make sufficient and adequate gains ('typical' or 'high' growth).     |
| Meets standard         | Less than 80% of students predicted as proficient on benchmark assessments and less than 80% of students are on track to make sufficient and adequate gains ('typical' or 'high' growth).     |
| Exceeds standard       | At least 80% of students predicted as proficient on benchmark assessments and at least 80% of students are on track to make sufficient and adequate gains ('typical' or 'high' growth).       |

**1.3. Does the school demonstrate that students are improving, the longer they are enrolled at the school?**

|                        |  |
|------------------------|--|
| Does not meet standard | Less than 60.0% of students who have been enrolled at the school 3 or more years demonstrate proficiency on state standardized assessments.            |
| Approaching standard   | At least 60.0% of students enrolled 2 years, and 70.0% of students enrolled 3 or more years demonstrate proficiency on state standardized assessments. |
| Meets standard         | At least 70.0% of students enrolled 2 years and 80.0% of students enrolled 3 or more years demonstrate proficiency on state standardized assessments.  |
| Exceeds standard       | At least 80.0% of students enrolled 2 years and 90.0% of students enrolled 3 ore more years demonstrate proficiency on state standardized assessments. |

**Data Sources for Indicator 1.3**

- **Summative:** IDOE Graduation Rate Report
- **Formative:** Quarterly count of students on track to graduate with a waiver / certificate / type of diploma

**1.3 Formative Indicator Calculations**

|               |  |
|---------------|--|
| Does not meet | School is on track to graduate less than 70.0% of students in its 4-year cohort and the school |
|---------------|--|

|                      |   |
|----------------------|---|
| standard             | is on track to demonstrate less than a 5.0 percentage point increase from its 4-year to 5-year graduation rate.   |
| Approaching standard | School is on track to graduate 70.0% - 79.9% of students in its 4-year cohort or the school is on track to demonstrate greater than or equal to a 5.0 percentage point increase from its 4-year to 5-year graduation rate.  |
| Meets standard       | School is on track to graduate 80.0% - 89.9% of students in its 4-year cohort or the school is on track to demonstrate greater than or equal to a 10.0 percentage point increase from its 4-year to 5-year graduation rate. |
| Exceeds standard     | School is on track to graduate at least 90.0% of students in 4-year cohort or the school is on track to demonstrate greater than or equal to a 15.0 percentage point increase from its 4-year to 5-year graduation rate.    |

#### 1.4. Is the school providing an equitable education to students of all races and socioeconomic backgrounds?

|                        |  |
|------------------------|--|
| Does not meet standard | School has more than 15% difference in the percent of students passing standardized assessments amongst races and socioeconomic statuses.    |
| Approaching standard   | School has no more than 15% difference in the percent of students passing standardized assessments amongst races and socioeconomic statuses. |
| Meets standard         | School has no more than 10% difference in the percent of students passing standardized assessments amongst races and socioeconomic statuses. |
| Exceeds standard       | School has no more than 5% difference in the percent of students passing standardized assessments amongst races and socioeconomic statuses.  |

This metric is only applicable to schools who have at least 10 or more students in more than 1 subcategory of race and has at least 10 students who are free/reduced lunch eligible and at least 10 students who are not eligible for free/reduced lunch.

#### **Data Sources for Indicator 1.4**

- **Summative:** Accountability Report Card published by IDOE in combination with DOE-ME / DOE-SR reports
- **Formative:** Benchmark Growth Data shared by school (e.g. NWEA, Acuity, DIBELS) in combination with DOE-ME / DOE-SR reports

#### **1.4 Formative Indicator Calculations**

|                        |  |
|------------------------|--|
| Does not meet standard | School has more than 15.0% difference in the percent of students demonstrating proficiency on benchmark assessments amongst races and socioeconomic statuses.    |
| Approaching standard   | School has no more than 15.0% difference in the percent of students demonstrating proficiency on benchmark assessments amongst races and socioeconomic statuses. |
| Meets standard         | School has no more than 10.0% difference in the percent of students demonstrating proficiency on benchmark assessments amongst races and socioeconomic statuses. |
| Exceeds standard       | School has no more than 5.0% difference in the percent of students demonstrating proficiency on benchmark assessments amongst races and socioeconomic statuses.  |

#### 1.5. Is the school's attendance rate strong?

|                        |   |
|------------------------|---|
| Does not meet standard | School's attendance rate is less than 95.0%                 |
| Meets standard         | School's attendance rate is greater than or equal to 95.0%. |

### **Data Sources for Indicator 1.5**

- **Summative:** DOE-AT report
- **Formative:** SIS attendance average

### **1.5 Formative Indicator Calculations**

|                        |   |
|------------------------|---|
| Does not meet standard | School's quarterly attendance rate is less than 95.0%.                |
| Meets standard         | School's quarterly attendance rate is greater than or equal to 95.0%. |

### **1.6. Is the school outperforming schools that the students would have been assigned to attend?**

|                        |  |
|------------------------|--|
| Does not meet standard | School's overall performance in terms of proficiency and growth is lower than that of the schools the students would have been assigned to attend. |
| Approaching standard   | School's overall performance in terms of proficiency or growth outpaces that of the schools the students would have been assigned to attend.       |
| Meets standard         | School's overall performance in terms of both proficiency and growth outpaces that of the schools the students would have been assigned to attend. |
| Exceeds standard       | School's overall performance in terms of both proficiency and growth outpaces that of the schools the students would have been assigned to attend. |

### **Data Sources for Indicator 1.6**

- **Summative:** GIS Maps
- **Formative:** Not evaluated

### **1.6 Formative Indicator Calculations**

|                        |  |
|------------------------|--|
| Does not meet standard | School has less than 30% of students in the current 4-year cohort enrolled in an AP, IB, post-secondary course   |
| Approaching standard   | School has no more than 15.0% difference in the percent of students demonstrating proficiency on benchmark assessments amongst races and socioeconomic statuses. |
| Meets standard         | School has no more than 10.0% difference in the percent of students demonstrating proficiency on benchmark assessments amongst races and socioeconomic statuses. |
| Exceeds standard       | School has no more than 5.0% difference in the percent of students demonstrating proficiency on benchmark assessments amongst races and socioeconomic statuses.  |

| 1.7. Is the school meeting its school-specific educational goals? |  |
|---|--|
| Does not meet standard  | <p>TBD: Metrics determined based on school-specific educational goal, in conjunction with the school.</p> <p>School does not meet standard on either school-specific educational goal.</p>   |
| Approaching standard  | <p>TBD: Metrics determined based on school-specific educational goal, in conjunction with the school.</p> <p>School is 1) approaching standard on one school-specific educational goal, while not meeting standard on the second goal, 2) approaching standard on both school-specific educational goals, OR 3) meeting standard on one school-specific educational goal, while approaching standard on the second goal.</p> |
| Meets standard  | <p>School has clearly met its school-specific educational goals.</p> <p>School is 1) meeting standard on both school-specific educational goals, OR 2) meeting standard on one school-specific educational goal while exceeding standard on the second goal.</p>   |
| Exceeds standard  | <p>TBD: Metrics determined based on school-specific educational goal, in conjunction with the school.</p> <p>School is exceeding standard on both school-specific educational goals.</p>   |

Schools will be assessed on two school-specific educational goals.

**Data Sources for Indicator 1.7**

- **Summative:** Determined by school with Academic Performance Analyst
- **Formative:** Determined by school with Academic Performance Analyst

## Core Question 2: Is the organization in sound fiscal health?

### Overview

The Financial Performance Framework gauges both near term financial health and longer term financial sustainability while accounting for key financial reporting requirements.

The portion of the framework that tests a school's near term financial health is designed to depict the school's financial position and viability in the upcoming year and used to monitor progress quarterly. Schools meeting the desired standards demonstrate a low-risk of financial distress in the coming year. Schools that fail to meet the standards may currently be experiencing financial difficulties and/or are at high risk for financial hardship in the near term. These schools may require additional review and immediate corrective action at the discretion of OEI staff.

The portion of the framework that tests a school's longer term financial sustainability is designed to depict a school's financial position and viability over time. Schools meeting the desired standards demonstrate a low-risk of financial distress in the future. Schools that fail to meet the standards are at high risk for financial hardship in the future.

### Collecting Evidence

In order to use the framework each year, OEI will need the following:

- Audited Statement of Net Assets (Balance Sheet)
- Audited Statement of Activities (Income Statement)
- Notes to the Audited Financial Statements (Part of audit)
- Charter school board approved budgets with ADM enrollment targets from the school
- Annual Debt schedule, indicating the total principal and interest due each year (from the school)

### Evaluation

OEI will continue to evaluate and rate schools performance on an annual basis against the financial performance framework. We will utilize the audited financial statements from the annual accrual based audit to evaluate health. We will also continue to have quarterly visits where we focus on the short term indicators from the unaudited financial statements received for that quarter.

Schools determined to be in immediate financial distress will be subject to additional monitoring and/or corrective action at the discretion of OEI staff. It is critical that the school financial manager and the board have a strong understanding of the school's financial health as we assess against a quantitative framework.



## Core Question 2: Is the organization in sound fiscal health?

### 2.1. Short Term Health: Does the school demonstrate the ability to pay its obligations in the next 12 months?

|                        |  |
|------------------------|--|
| Does not meet standard | The school presents significant concerns in more than one of the following areas: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default |
| Approaching standard   | The school presents concerns in no more than one of the following areas: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default          |
| Meets standard         | The school demonstrates satisfactory performance in all areas identified: Enrollment Variance, Current Ratio, Days Cash on Hand and Debt Default         |

OEI will use the most recent amendment to calculate as long as the amendment was completed prior to the school year starting.

#### a) Enrollment Variance Ratio

- **Definition:** The enrollment variance ratio tells authorizers whether or not the school is meeting its enrollment projections in its charter, thereby generating sufficient revenue to fund ongoing operations.
- **Overview:** Enrollment is typically the largest source of revenue for a school. If a school is consistently hitting their enrollment targets then they are bringing in the amount of revenue they planned for in their budget. If the school is consistently not meeting its enrollment targets then the school will need to adjust its spending to reflect the reduced amount of revenue.
- **Data Source:** Projected enrollment from the charter agreement and actual enrollment from the Department of Education
- **Calculation:** Actual Enrollment/ Projected Enrollment

|                        |   |
|------------------------|---|
| Does not meet standard | Enrollment Ratio is less than or equal to 89% |
| Approaching standard   | Enrollment Ratio is between 90% - 98%         |
| Meets standard         | Enrollment Ratio equals or exceeds 99%        |

#### b) February Count Day Enrollment Variance Ratio

- **Definition:** The February count day enrollment variance ratio looks at what percentage of the student body was retained between the September count and the February count.
- **Overview:** It is important for schools to continue to serving the same or nearly the same number of students throughout the year for a number of academic reasons. Since the February count day will influence funding for the first semester of the coming year, schools should be retaining enough of the student population between September and February that will make them likely to be able to serve roughly the same number of students in the coming academic year.
- **Data Source:** September enrollment as reported by the Department of Education and February enrollment as reported by the Department of Education
- **Calculation:** February Enrollment/September Enrollment

|                        |   |
|------------------------|---|
| Does not meet standard | Enrollment Ratio is less than or equal to 89% |
| Approaching standard   | Enrollment Ratio is between 90% - 95%         |
| Meets standard         | Enrollment Ratio equals or exceeds 95%        |

c) **Current Ratio**

- **Definition:** The current ratio depicts the relationship between a school's current assets (what they own) and current liabilities (what they owe).
- **Overview:** Current is defined as within the next twelve months. If the current ratio is 1.1 or greater then a school owns more than it owes in the short term. If the school owns more than it owes, then it has a good chance of meeting its obligations. If a school owes more than it owns, then it may not be able to meet its obligations.
- **Data Source:** Audited statement of net assets
- **Calculation:** Current Assets/ Current Liabilities

|                        |  |
|------------------------|--|
| Does not meet standard | Current Ratio is less than or equal to 1.0 |
| Approaching standard   | Current Ratio is between 1.0 - 1.1         |
| Meets standard         | Current Ratio equals or exceeds 1.1        |

d) **Days Cash on Hand**

- **Definition:** Days cash on hand indicates how many days a school can pay its expenses without another inflow of cash.
- **Overview:** Best practice indicates a school should have between 30-60 days cash on hand to cover unexpected expenses. This is particularly important given the cyclical nature of cash inflows and the restricted nature of many of the funds school use throughout the year.
- **Data Source:** Audited statement of net assets (checking/savings account balance) and audited statement of activities (Total Expenses, Depreciation and Amortization)
- **Calculation:** Cash / ((Total Expenses – Depreciation-Amortization)/365)

|                               |  |
|-------------------------------|--|
| <b>Does not meet standard</b> | Days Cash on Hand is less than or equal to 30 days |
| <b>Approaching standard</b>   | Days Cash on Hand is between 30-45 days            |
| <b>Meets standard</b>         | Days Cash on Hand equals or exceeds 45 days        |

For schools in year one and year two of operation, OEI will look for 30 days cash on hand to either meet or not meet the standard.

e) **Debt Default**

- **Definition:** Debt default indicates if a school is not meeting debt obligations or covenants.
- **Overview:** Schools must meet all requirements when servicing debt and complying with other covenants as set forth in their agreements
- **Data Source:** Notes to the audited financial statements
- **Calculation:** Review of notes to the financial statements in the accrual based audit

|                        |   |
|------------------------|---|
| Does not meet standard | Default or delinquent payments identified |
| Meets standard         | Not in default or delinquent              |

2.2. Long Term Health: Does the organization demonstrate long term financial health?

|                        |   |
|------------------------|---|
| Does not meet standard | The school presents significant concerns in more than one of the following: a) 3 year Aggregate Net Income, b) Debt to Asset Ratio c) Debt Service Coverage Ratio |
| Approaching standard   | The school presents concerns in no more than one of the following areas: a) 3 year Aggregate Net Income, b) Debt to Asset Ratio c) Debt Service Coverage Ratio    |
| Meets standard         | The school demonstrates satisfactory performance in all areas identified: 3 Year Aggregate Net Income, Debt to Asset Ratio, and Debt Service Coverage Ratio       |

a) **Three Year Aggregate Net Income**

- **Definition:** Net income measures the difference between a school's revenues and expenses (includes non-cash expenditures such as depreciation and amortization)
- **Overview:** Net income indicates whether a school operates with a surplus or a deficit in a given time period. Net income is important because schools cannot operate at a deficit for sustained periods of time without risk of closure. The three year aggregate net income is simply the sum of the net incomes for the most recent three years to understand if the school is generating a surplus in the long run.
- **Data Source:** Three Years of Audited Statements of Activity
- **Calculation:** Sum of Net Incomes for most recent three years

|                        |  |
|------------------------|--|
| Does not meet standard | Aggregate three year Net Income is negative                                  |
| Approaching standard   | Aggregate three year Net Income is positive and most recent year is negative |
| Meets standard         | Aggregate three year Net Income is positive and most recent year is positive |

For schools in year one and year two of operation, OEI will look for positive net incomes each year.

b) **Debt to Asset Ratio**

- **Definition:** The debt to asset ratio measures the amount of liabilities a school owes versus the assets they own; it measures the extent to which the school relies on borrowed funds to finance its operations
- **Overview:** The debt to asset ratio is the long term version of the current ratio. It compares schools total assets to their total liabilities. This is a snapshot of how much a school owns vs. how much they owe in total. A lower debt to asset ratio generally indicates stronger health.
- **Data Source:** Audited statement of net assets
- **Calculation:** Total Liabilities/Total Assets

|                        |   |
|------------------------|---|
| Does not meet standard | Debt to Asset Ratio equals or exceeds 0.95        |
| Approaching standard   | Debt to Asset Ratio is between 0.90 – 0.95        |
| Meets standard         | Debt to Asset Ratio is less than or equal to 0.90 |

c) **Debt Service Coverage Ratio**

- **Definition:** This ratio indicates a school's ability to cover its debt obligations in the next year based on its current net income.
- **Overview:** This measure depicts a school's ability to pay obligations once you add back the non-cash expenditure (depreciation) and add back in the interest expense since interest is one of the obligations we are trying to determine if a school can pay in the coming year. This is divided by the

total Principal and Interest payments due in the coming year to understand if the income generated is enough to meet those obligations.

- **Sources of Data:** Audited statement of activity, and debt schedule detailing interest and principal payments for the coming years (provided by the school)
- **Calculation:** (Net Income + Depreciation+ Amortization + Interest Expense) / (Principal + Interest Payments for the next year)

|                        |   |
|------------------------|---|
| Does not meet standard | Debt Service Coverage ratio is less than or equal to 1.05 |
| Approaching standard   | Debt Service Coverage ratio is between 1.05 – 1.20        |
| Meets standard         | Debt Service Coverage ratio equals or exceeds 1.20        |

### 2.3. Does the organization demonstrate it has adequate financial management and systems?

|                        |  |
|------------------------|--|
| Does not meet standard | Presents concerns in the financial audit or financial reporting requirements         |
| Approaching standard   | Presents concerns in either the financial audit or financial reporting requirements  |
| Meets standard         | Does not present concerns in the financial audit or financial reporting requirements |

#### a) Financial Audit

- **Overview:** The annual accrual based audit provides an opinion on the validity of the information being shared in the financial statements and provides insight into school's financial health
- **Sources of Data:** Annual accrual based audit document

|                        |   |
|------------------------|---|
| Does not meet standard | Receives an audit with multiple significant deficiencies, material weakness or is a going concern   |
| Approaching standard   | Receives a clean audit opinion with a few significant deficiencies noted but no material weaknesses |
| Meets standard         | Receives a clean audit opinion  |

#### b) Financial Reporting Requirements

- **Definition:** schools need to turn in all financial documents in a timely manner
- **Overview:** Reporting requirements are critical in ensuring the ongoing monitoring of health
- **Sources of Data:** Financial Analyst, Audit Firm, Accounting Firm and others
- **Calculation:** Evidence of missing reporting requirements is sufficient for not meeting standard

|                        |   |
|------------------------|---|
| Does not meet standard | Fails to satisfy financial reporting requirements |
| Meets standard         | Satisfies all financial reporting requirements    |

## Core Question 3: Is the organization effective and well-run?

### Overview

The Governance and Leadership Performance Framework gauges the success of the school leadership and board of directors in providing the students at the school with a high quality education while adhering to the charter agreement and other applicable laws.

The framework consists of five indicators that are designed to measure school and board leadership, organizational effectiveness, competency in processes and oversight, and compliance with the charter and applicable laws.

### Collecting Evidence

In order to use the framework as an evaluation tool throughout the school year, OEI will utilize and assess the following:

- Compliance Reports and Letters
- Employee Documentation
- Quarterly Compliance Meetings
- Board Meetings
- Evaluation and Survey Results

### Evaluation

OEI will continue to evaluate and rate schools' performance on an annual basis against the governance and leadership performance framework. We will have quarterly visits where we assess the information available to determine current and future performance, and make mid-course corrections as necessary.

Schools determined to have challenges in the area of governance and leadership will be subject to additional monitoring and/or corrective action at the discretion of OEI staff.

## Core Question 3: Is the organization effective and well-run?

### Overview

The Governance and Leadership Performance Framework gauges the success of the school leadership and board of directors in providing the students at the school with a high quality education while adhering to the charter agreement and other applicable laws.

The framework consists of five indicators that are designed to measure school and board leadership, organizational effectiveness, competency in processes and oversight, and compliance with the charter and applicable laws.

### Collecting Evidence

In order to use the framework as an evaluation tool throughout the school year, OEI will utilize and assess the following:

- Compliance Reports and Letters
- Employee Documentation
- Quarterly Compliance Meetings
- Board Meetings
- Evaluation and Survey Results

### Evaluation

OEI will continue to evaluate and rate schools' performance on an annual basis against the governance and leadership performance framework. We will have quarterly visits where we assess the information available to determine current and future performance, and make mid-course corrections as necessary.

Schools determined to have challenges in the area of governance and leadership will be subject to additional monitoring and/or corrective action at the discretion of OEI staff.

Please note that there are  
no additional calculations or expanded criteria for Core Question 3.

## Core Question 4: Is the school providing the appropriate conditions for success?

### Overview

The site visit framework assesses the processes and systems that impact a school's academic, financial and governance outcomes in Core Questions 1, 2 and 3.

During the term of its initial charter, a school receives a site visit and evaluation against Core Question 4 in the second, fourth and sixth years. The fourth-year comprehensive review culminates in a school's mid-charter review, while the sixth year visit serves to inform charter renewal decisions.

### Collecting Evidence

External consultants will inform schools of required evidence to evaluate against Core Question 4.

### Evaluation

External evaluators will complete evaluations of all mayor-sponsored charter schools against Core Question 4. The Office of Education Innovation will publish completed external evaluations in its annual Accountability Reports.

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| <p>Please note that there are<br/>no additional calculations or expanded criteria for Core Question 4.</p> |
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